



**State of Florida  
Department of Children and Families**

**Ron DeSantis**  
Governor

**Chad Poppell**  
Secretary

**DATE:** June 13, 2019

**TO:** Chad Poppell  
Secretary

**FROM:** Keith R. Parks  
Inspector General

**SUBJECT:** Six-Month Corrective Action Status  
*Our Kids of Miami-Dade/Monroe, Inc. – Client Trust Funds*

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*OIG staff discovered an error in the original transmittal memorandum issued on March 1, 2019. This transmittal incorrectly identified the report number. This revised document identifies the corrected report number; all other information is unchanged.*

In accordance with § 20.055(2)(f), Florida Statutes, attached is the six-month corrective action status report for Internal Audit Report No. A-1718DCF-048, *Our Kids of Miami-Dade/Monroe, Inc. (Our Kids) – Client Trust Funds*, issued June 29, 2018. The purpose of the status report is to keep you informed on the progress made by Our Kids in implementing corrective actions recommended in our audit report.

Our Kids management provided the six-month status, which indicates that corrective actions have been fully implemented on the three findings and five recommendations included in our report.

If I may be of further assistance, please let me know.

Attachment

KRP/SM/ej

cc: Melinda Miguel, Chief Inspector General, Executive Office of the Governor  
David Mica, Chief of Staff  
Kimberly McMurray, Chief Financial Officer  
JoShonda Guerrier, Assistant Secretary for Child Welfare  
Alissa Cross, Chief, CBC/ME Monitoring Team  
Yanina Menendez, Contract Manager

**OIG – Internal Audit**  
**Corrective Action Status Report**  
*Our Kids of Miami-Dade/Monroe, Inc. - Client Trust Funds*  
**Report No. A-1718DCF-048, Issued June 29, 2018**  
**As of February 14, 2019**

<b>Findings</b>	<b>Recommendation</b>	<b>Auditee Response</b>	<b>Corrective Action Status</b>
<p><b>Finding #1</b></p> <p>Our Kids did not allocate bank service charges (bank fees) to CTF accounts but paid for the fees by reimbursing the CTF bank account with funds received from the Department</p>	<p>Recommendation #1.a. We recommend that Our Kids prorate bank fees to clients' trust fund accounts as prescribed by 7 APM 6.</p> <p>Recommendation #1.b. We also recommend that Our Kids develop a cost efficient method for allocating bank fees to client accounts.</p>	<p>Concur</p> <p>We kindly ask the Office of the Inspector General (IG) to advise us, if they strictly prohibit Our Kids from using its general funds to reimburse the CTF charges, whether they would allow us to cover the CTF charge from our Private Funds instead. Also, we would like to get the IG's concurrence about our policy to net the charges incurred with the earnings incurred on those accounts. Furthermore, as long as the charges are greater than the earnings, then we would not have to allocate those per account.</p>	<p>Fully Implemented</p> <p>We made our first quarterly allocation of net fees as of December 31, 2018. The spreadsheet used was sent in the same e-mail as this response.</p>
<p><b>Finding #2</b></p> <p>Our Kids did not invest excess CTFs.</p>	<p>Recommendation #2.a. We recommend that Our Kids review the usage of CTFs held in the local bank account, and comply with Florida Statutes and Department policy by investing excess funds.</p> <p>Recommendation #2.b. We also recommend that Our Kids consider working with the bank to identify ways to reduce or eliminate bank service charges (bank fees) and make more funds available to assist clients.</p>	<p>Concur</p> <p>There is definitely a benefit from investing any unallocated funds with the State Of Florida Treasury. We shall be investigating further this path.</p>	<p>Fully Implemented</p> <p>We invested \$200,000 as of July 2018 in the State of Florida Treasury.</p>

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Findings	Recommendation	Auditee Response	Corrective Action Status
<p>Finding #3</p> <p>Our Kids could not provide documentation that room and board rates deducted from CTFs were agreed upon or approved by the Department.</p>	<p>Recommendation #3</p> <p>We recommend that, as required in § 409.145, F.S., the Department and Our Kids document agreement with rates that are set in the Southern Region.</p>	<p>Concur</p> <p>We will liaise with the department to investigate further this path and agree over a procedure to comply without creating bureaucratic hurdles with the legislation.</p>	<p>Fully Implemented</p> <p>We just finalized and signed a rate agreement with the local DCF office as of January 30, 2019. A copy of this agreement was sent in the same e-mail as this response.</p>